



# Interim report January–March 2019

# Q1



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*Humana is a leading Nordic public care company. The company is a market leader within individual and family care and personal assistance and has growing operations in elderly care. Humana has 15,000 employees who all work with a shared vision – Everyone is entitled to a good life. Humana is a growth company with a focus on quality and customer satisfaction. The company had annual revenue of SEK 6,725 M in 2018. Humana has been listed on Nasdaq Stockholm. The company's headquarters are located in Stockholm.*



**Humana**

# First quarter in brief

## First quarter, January - March 2019

- **Operating revenue** was SEK 1,708 M (1,648), an increase of 4%.
- **Operating profit** was SEK 77 M (81), a decrease of 5%. Excluding the effects of IFRS 16, which apply from 1 January 2019, the operating profit amounted to SEK 70 M (81).
- **Net profit after tax for the period** amounted to SEK 44 M (45).
- **Earnings per share for the period** before and after dilution amounted to SEK 0.83 (0.85).
- **Operating cash flow** amounted to SEK 33 M (-32). Excluding the effects of IFRS 16, operating cash flow totalled SEK -24 M (-32).

## Significant events in and after the first quarter

- During the period, Humana entered into an agreement to acquire all shares in the Finnish company Coronaria Hoiva Oy from its owner Coronaria Oy. After the end of the quarter, the Finnish competition authority approved the acquisition and the transaction has been finalized. Coronaria Hoiva is valued (enterprise value) at EUR 71 M, approximately SEK 736 M. The company has about 1,100 employees. Its adjusted revenue for 2018 is EUR 54 M, approximately SEK 559 M, and its adjusted EBITDA is EUR 4.3 M, approximately SEK 45 M.
- During the quarter, Humana signed an agreement for a new elderly housing unit under own management in Vallentuna. Operations are expected to start in Q4 2020.
- After the end of the quarter, Humana signed an agreement for a new elderly housing unit under own management in Falkenberg, as well as an agreement for a new elderly housing unit under own management in Norrtälje. Both operations are expected to start during the first half of 2021.
- Humana's Board proposes that the 2019 AGM on 9 May, the same day as this report is published, approves a dividend of SEK 0.70 per share for the 2018 financial year.

## Revenue and profit

SEK M	Jan-Mar	Jan-Mar	%	Apr-Mar	Jan-Dec	%
	2019	2018		2018/19	2018	
Net revenue	1 708	1 648	4%	6 770	6 714	1%
Other revenue	0	0	n/a	11	11	0%
<b>Operating revenue</b>	<b>1 708</b>	<b>1 648</b>	<b>4%</b>	<b>6 781</b>	<b>6 725</b>	<b>1%</b>
Operating profit	77	81	-5%	387	391	-1%
Adjusted operating profit	77	81	-5%	387	391	-1%
Net profit for the period	44	45	-3%	244	245	-1%
Operating cash flow	33	-32	n/a	350	285	23%

### Excluding IFRS 16 effects:

<b>Operating revenue</b>	<b>1 708</b>	<b>1 648</b>	<b>4%</b>	<b>6 781</b>	<b>6 725</b>	<b>1%</b>
Operating profit	70	81	-13%	380	391	-3%
Adjusted operating profit	70	81	-13%	380	391	-3%
Net profit for the period	49	45	7%	249	245	1%
Operating cash flow	-24	-32	n/a	292	285	3%

# A good start to the year clouded by challenges in Individual & Family

**Humana has had an intensive start of 2019. Through our acquisition of the Finnish company Coronaria Hoiva we are now a full service care provider in Finland. We also signed a number of other important contracts for the future. Three of Humana's four business areas delivered stable growth and increased profits for the first quarter, but the Individual & Family business was negatively affected by weak demand.**

The first quarter of the year was characterised by different growth initiatives. In January, Humana entered an agreement to acquire Coronaria Hoiva, a care company that runs social psychiatry operations for adults, special service housing and elderly care throughout Finland. In April, after the end of the quarter, the acquisition was finalised and Humana's operations in Finland have now doubled in size. In the short term, our focus is naturally going to be on integration. Long term, we have created an attractive platform for continued growth and improvement of quality in Finland.



Growth was also in focus in our Elderly Care business area this quarter. We opened a new elderly housing under our own management in Staffanstorp. The start-up went smoothly and occupancy is increasing more rapidly than planned. We also signed an agreement to open a new elderly housing unit under own management in Vallentuna. After the end of Q1, we also signed agreements for two more elderly housing units under own management in Falkenberg and Norrtälje. The Falkenberg unit is interesting because the agreement with the municipality includes a long-term occupancy guarantee.

In revenue and profits, Q1 was weaker than expected. Humana's revenue grew 4% to reach SEK 1,708 M, and the Group's operating profit was SEK 77 M. Excluding the effects of the new IFRS 16 accounting standard, the underlying result decreased by 13%. Three of the four business areas – Personal Assistance, Elderly Care and Other Nordics – reported good profits with stable or strong organic growth and increased operating margins. Last year's acquisitions within Personal Assistance contributed to an increase of the revenues by 5%, while the margin increased slightly. In Elderly Care, both good occupancy in our own managed housing units and two new contracts contributed to the increase in revenue. In Other Nordics we continued to see good growth in the Norwegian operations. In Individual & Family, however, the negative trend that started in Q4 of last year continued into Q1, where we initially experienced a very low demand. Individual and family care, where

Humana is the market leader in Sweden, has undergone significant changes in the subsegment for children and adolescents over the last few years. On the one hand, we see reduced demand for care placements for children and adolescents with less complex needs, which is partly due to an increased municipal capacity for care placements. On the other hand, we see an increasing demand for care placements for children and adolescents with more complex needs, often drug related in combination with psychiatric and psychosocial disorders. Humana has expertise in this area, but we need to become even better at swiftly meeting our clients' needs. Our adaptation work is continuing and in the quarter we have noted a higher demand and occupancy in our operations. Long-term, we have a continued positive view on the individual and family area, where the needs will be significant even in the future.

The political climate in Sweden, with a new government came into power in January, continues to be stable. It makes it easier when those of us who work in the care sector can focus wholeheartedly on our operations! However, in Finland this spring there has been a major, and, it should be noted, nuanced debate about provision of private care. It has been partly related to the elections in Finland, where the negotiations to form the government is not yet completed. But, quite unfortunately, the debate has also been connected to deficiencies of a few private providers discovered in connection with inspections carried out by regulators. Humana has also had inspections at most of its Finnish units. The reports from them have been good and none of these inspections has yet resulted in demands for measures such as requirements for increased staffing.

An important tool to follow our group-wide quality management work is our own quality index, Humana Quality Index. Starting this quarter, we will publish it quarterly on our website. Take a look!

Stockholm 9 maj 2019



**Rasmus Nerman**, vd och koncernchef  
Humana AB



## Operating revenue by business area

SEK M	Jan-Mar	Jan-Mar	Apr-Mar		Jan-Dec	
	2019	2018	%	2018/19	2018	%
Individual & Family	512	551	-7%	2 146	2 188	-2%
Personal Assistance	684	653	5%	2 698	2 668	1%
Elderly Care	134	108	24%	484	457	6%
Other Nordics	378	336	12%	1 443	1 401	3%
Other revenue 2)	0	0	n/a	11	11	0%
<b>Total operating revenue</b>	<b>1 708</b>	<b>1 648</b>	<b>4%</b>	<b>6 781</b>	<b>6 725</b>	<b>1%</b>

## Organic growth by business area 1)

%	Jan-Mar	Jan-Mar	Apr-Mar		Jan-Dec	
	2019	2018	%	2018/19	2018	%
Individual & Family	-7,0%	-0,4%	-3,1%	-1,3%		
Personal Assistance	1,5%	0,7%	0,9%	0,7%		
Elderly Care	24,2%	24,9%	32,7%	33,4%		
Other Nordics, constant currency	8,5%	4,2%	12,9%	9,8%		
<b>Total organic growth, constant currency rate</b>	<b>1,5%</b>	<b>2,3%</b>	<b>2,8%</b>	<b>3,4%</b>		

## Operating profit per business area

SEK M	Jan-Mar	Jan-Mar	Apr-Mar		Jan-Dec	
	2019	2018	%	2018/19	2018	%
Individual & Family	28	48	-41%	176	196	-10%
Personal Assistance	39	35	13%	156	151	3%
Elderly Care	4	-1	n/a	14	9	56%
Other Nordics	24	18	34%	128	122	5%
Central costs/other 2) 3) 4)	-18	-18	n/a	-88	-88	n/a
<b>Total operating profit</b>	<b>77</b>	<b>81</b>	<b>-5%</b>	<b>387</b>	<b>391</b>	<b>-1%</b>

**Excluding IFRS 16 effects (affects only Central costs):**

<b>Total operating profit</b>	<b>70</b>	<b>81</b>	<b>-13%</b>	<b>380</b>	<b>391</b>	<b>-3%</b>
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## Operating profit margins by business area

%	Jan-Mar	Jan-Mar	Apr-Mar		Jan-Dec	
	2019	2018	%	2018/19	2018	%
Individual & Family	5,5%	8,7%	8,2%	9,0%		
Personal Assistance	5,8%	5,3%	5,8%	5,7%		
Elderly Care	2,8%	-1,2%	2,9%	2,0%		
Other Nordics	6,4%	5,3%	8,9%	8,7%		
<b>Total operating profit margin</b>	<b>4,5%</b>	<b>4,9%</b>	<b>5,7%</b>	<b>5,8%</b>		

**Excluding IFRS 16 effects:**

<b>Total operating profit margin</b>	<b>4,1%</b>	<b>4,9%</b>	<b>5,6%</b>	<b>5,8%</b>		
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1) Organic growth is calculated as revenue growth for comparable companies that Humana owned during the comparative comparison period.

2) Operating revenue in Q2 2018 include the effect of the final deduction of purchase consideration of MSEK 9, linked to this, is acquisition costs of SEK 5 M.

3) Operating profit full year 2019 includes SEK 2 M in acquisition costs, operating profit full year 2018 includes acquisition costs of SEK 18 M, of which SEK 0 M in Q1.

4) Operating result 2019 include IFRS16 effects of net +7 Mkr (0 Mkr).

# Group development

## Revenue

First quarter operating revenue amounted to SEK 1,708 M (1,648), an increase of 4% compared with the same quarter last year. Acquired operations, that is, companies that were not owned throughout the previous comparative period, contributed SEK 34 M to revenues in the quarter. Organic revenue growth was 1.5% (2.3).

The slower growth during the quarter is due to decreased demand in the children and adolescents market segment in the Individual & Family business area at the beginning of the year. The other three business areas, Personal Assistance, Elderly Care och Other Nordics, contributed positively to revenue growth. No new acquisitions were completed during the quarter. Operations under our own management accounted for 94% of revenues.

## Earnings

Operating profit for the first quarter decreased to SEK 77 M (81), corresponding to an operating margin of 4.5% (4.9). Excluding the effects of the new accounting standard IFRS 16, which applies from 1 January 2019, the operating profit amounted to SEK 70 M (81) and the operating margin to 4.1% (4.9). The effect of the accounting standard amounts to SEK 7 M and is due to decreased rental costs of SEK 58 M and higher depreciation of SEK 51 M (a reduction of the central costs).

The decline in profit compared with the same period last year was largely due to lower demand in the Individual & Family business area. Costs are currently being adjusted for the change in market. In the other business areas, profit has increased compared with the same period last year. In Personal Assistance, the increase in state reimbursement level at year-start has contributed to the improvement in earnings. In Elderly Care, improved efficiency has helped improve earnings. In Other Nordics, the continued upward trend in Norway is the main contributor to the improvement in earnings.

## Events

### First quarter 2019

- Humana entered into an agreement to acquire all shares in the Finnish company Coronaria Hoiva Oy from its owner Coronaria Oy. Coronaria Hoiva is valued (enterprise value) at EUR 71 M, approximately SEK 736 M. The company has about 1,100 employees. Its adjusted revenue for 2018 is EUR 54 M, approximately SEK 559 M, and its adjusted EBITDA is EUR 4.3 M, approximately SEK 45 M.
- Humana signed an agreement for a new elderly housing unit under own management in Vallentuna. The unit will consist of 60 apartments. Operations are expected to start in Q4 2020.
- Humana's Board proposes that the 2019 AGM on 9 May, the same day as this report is published, approve a dividend of SEK 0.70 per share for the 2018 financial year.

### Events after the end of the quarter

- After the end of the quarter, in April 2019, the Finnish competition authority approved the acquisition of Coronaria Hoiva Oy. The acquisition was subsequently completed. Coronaria Hoiva will be consolidated into Humana from April 2019.
- After the end of the quarter, Humana signed an agreement for a new elderly housing unit under own management in Falkenberg. The housing unit will consist of 60 apartments and is scheduled to open in the first half of 2021.
- After the end of the quarter, Humana signed an agreement for a new elderly housing unit under own management in Norrtälje. The housing unit will consist of 80 apartments and is scheduled to open in the first half of 2021.
- Johanna Rastad has been appointed as the new business area manager for Individual & Family.



# Performance by business area

## Individual & Family

Revenues for the first quarter amounted to SEK 512 M (551), a decrease of 7% compared to the corresponding period last year. The decrease is explained by lower demand in the beginning of the year in the market segment for children and adolescents.

Operating profit in the period totalled SEK 28 M (48), a decrease of 41% compared to last year. The operating margin was 5.5% (8.7). The lower result and decreased margins in the quarter are mainly explained by reduced demand. During the quarter, our efforts to better meet the changes in demand have continued. The adjustment includes adapting costs. Throughout the quarter we have also noted a higher demand and higher utilization rate.

## Personal Assistance

Revenues for the first quarter amounted to SEK 684 M (653), an increase of 5% compared to the corresponding period last year. Acquisitions last year account for SEK 21 M of the increase in revenues. The 1.5% increase in the state reimbursement level at the start of the year has also influenced these figures positively.

Operating profit for the first quarter increased 13% to SEK 39 M (35), corresponding to an operating margin of 5.8% (5.3). The profit increase and slightly greater profit margin are primarily attributable to the increase in the state reimbursement level.

## Elderly Care

Revenues in Elderly Care amounted to SEK 134 M (108) in the first quarter, an increase of 24%. Our established elderly housing units under our own management continue to have good capacity utilisation. The two new tendered elderly housing units, which were opened during Q4, account for the majority of the increase in revenues.

Operating profit in the first quarter amounted to SEK 4 M (-1). The increased earnings are primarily due to better efficiency in the existing operations and the new contracts. At the end of the period, a new unit under own management opened in Staffanstorp, which has a slight negative effect on the first quarter results.

## Other Nordics

Revenues in Other Nordics amounted to SEK 378 M (336) in the first quarter, an increase of 12%. Acquisitions contributed SEK 13 M to revenue in the quarter. Organic revenue increased by 8.5% for the quarter. The business area is showing good growth due to the opening of new units.

Operating profit totalled SEK 24 M (18), an increase of 34% compared to the same period last year. The operating margin for the quarter was 6.4% (5.3). The increase in earnings is mainly explained by a positive upward trend in the operations in Norway.



# Financial position

## Financing

Consolidated equity amounted to SEK 2,205 M (1,966) on 31 March 2019. The equity/assets ratio was 32.7% (38.3). Humana's interest-bearing net debt amounted to SEK 2,928 M (1,496), an increase of 96% compared to the same period last year. Humana's debt-to-equity ratio, its interest-bearing net debt in relation to EBITDA increased to 5.7 times (3.8). The increased debt-to-equity ratio is mainly due to the new IFRS 16 accounting standard.

## Financial position

SEK M	31 Mar 2019	31 Mar 2018	31 Dec 2018
Non-current interest-bearing liabilities	2 523	1 306	1 259
Current interest-bearing liabilities	826	687	633
Cash and cash equivalents	-420	-497	-514
<b>Interest-bearing net debt</b>	<b>2 928</b>	<b>1 496</b>	<b>1 378</b>
Equity/assets ratio, %	32,7%	38,3%	41,1%
Interest-bearing net debt/adjusted EBITDA 12 months, times	5,7x	3,8x	3,0x
<b>Excluding IFRS 16 effects:</b>			
Non-current interest-bearing liabilities	1 223	1 306	1 259
Current interest-bearing liabilities	635	687	633
Cash and cash equivalents	-420	-497	-514
<b>Interest-bearing net debt</b>	<b>1 437</b>	<b>1 496</b>	<b>1 378</b>
Equity/assets ratio, %	42,1%	38,3%	41,1%
Interest-bearing net debt/adjusted EBITDA 12 months, times	3,2x	3,8x	3,0x

## Cash flow and investment expenditures

Operating cash flow during the quarter amounted to SEK 33 M (-32). Excluding the effects of IFRS 16, operating cash flow for the quarter totalled SEK -24 M (-32), which is in line with the same period last year. A decrease in tied-up capital to SEK -50 M (-114) contributed positively to the period's operating cash flow. Investments during the period increased in relation to last year, and amounted to SEK -62 M (-14), mainly attributable to investments in property. Cash flow from financing activities totalled SEK -101 M (-51), of which SEK -50 M (0) relates to payment of leasing fees where -45 is an effect of IFRS 16. Cash flow for the period amounted to SEK -100 M (-95).

## Financial targets\*

### Revenue growth

Annual growth of 8-10% in the medium term, achieved through organic growth as well as bolt-on acquisitions.

### Profitability

EBIT margin of approximately 6% over the medium term.

### Capital structure

Interest-bearing net debt in relation to EBITDA not to exceed a factor of 3.0. However, leverage may temporarily exceed the target level, for example, in relation to acquisitions.

### Dividend policy

Payment of a dividend equivalent to 30% of net profit for the year. The proposed dividend shall consider Humana's long-term development potential and financial position.

\* Before the effects of the new accounting standard IFRS 16 are taken into account.



# Other information

## Employees

The number of full-time employees as of 31 March 2019 was 9,481 (9,207).

## Shares, share capital and shareholders

The number of shares in Humana AB as per 31 March 2019 amounted to 53,140,064 with a quote value of SEK 0.022, corresponding to share capital of SEK 1,180,880. The number of shareholders as of 31 March 2019 was 3,573. The five largest shareholders were Impilo Care AB, Air Syndication SCA (Argan Capital), Incentive AS (via funds and mandate), Nordea Investment Funds and SEB Investment Management.

## Marketplace

Humana AB shares trade on the Nasdaq Stockholm Main Market. The company's ticker symbol is HUM and the ISIN code is SE0008040653.

## Share-based incentive programmes

Humana has two long-term incentive programmes: a warrant programme for the Company's eight senior executives and a share savings programme for 150 other Humana employees. For more information on the programmes, see note 7 and the 2018 annual report.

## Annual General Meeting

Humana's AGM for 2019 will be held on Thursday, 9 May at 13.00 (the same day as this report is published) at Lindhagen Konferens, Lindhagensgatan 126, Stockholm.

## Annual report and sustainability report

The 2018 annual report and sustainability report are published on Humana's website <http://corporate.humana.se>

## Dividend

Humana's Board proposes that the 2019 AGM approve a dividend of SEK 0.70 per share for the 2018 financial year, and that the remaining profit is carried forward.

## Related party transactions

The Group's key personnel consists of the Board of Directors, Group management and the CEO, through ownership of Humana and through their roles as senior executives. Related party transactions are based on market conditions.

## Risks and uncertainties

In the course of its operations, the Group is exposed to different types of financial risk, such as financing risk, liquidity risk, credit risk and interest rate risk. Risks are described in more detail in the section in Humana's 2018 annual report entitled Risks and risk management on pages 48–53 as well as note K19.

The main risks related to operations and uncertainties that can affect Group development in 2019 are related to political decisions that may affect private care companies, and risks when implementing completed acquisitions.

Humana conducts operations that are financed by state, municipal and county council entities, and as such operations can be affected by political decisions. As a result, Humana's opportunities for growth are affected by public opinion and political views on the Group's areas of operation. Humana is constantly monitoring the external situation. The purpose is to quickly perceive external changes in order to assess risks and opportunities, as well as adapt operations to external changes. The political situation is evaluated continuously.

## Parent company

Earnings for the parent company for Q1 amounted to SEK -31 M (-13). The equity/assets ratio was 44.6% (44.7 on 31 March 2018). The parent company is indirectly affected by the operations of the subsidiaries so risks and uncertainties are the same as those for the Group described above.

*This interim report was not subject to a review as per ISRE 2410 by the company's auditors.*

The President certifies that this interim report for the first quarter gives a true and fair presentation of the Parent Company's and Group's business, financial position and result of operations, and describes the material risks and uncertainties facing the Parent Company and the Group.

Stockholm 9 May 2019

**Rasmus Nerman**  
President and CEO, Humana AB



## Consolidated income statement

SEK M	Note	Jan-Mar 2019	Jan-Mar 2018	Apr-Mar 2018/19	Jan-Dec 2018
Net revenue		1 708	1 648	6 770	6 714
Other revenue		0	0	11	11
<b>Operating revenue</b>	3	<b>1 708</b>	<b>1 648</b>	<b>6 781</b>	<b>6 725</b>
Other external costs	8	-216	-262	-998	-1 044
Personnel costs		-1 344	-1 288	-5 254	-5 202
Depreciation	8	-68	-15	-123	-70
Other operating costs		-2	0	-20	-19
<b>Operating costs</b>		<b>-1 631</b>	<b>-1 566</b>	<b>-6 394</b>	<b>-6 334</b>
<b>Operating profit</b>		<b>77</b>	<b>81</b>	<b>387</b>	<b>391</b>
Financial revenue		6	0	7	1
Financial costs	8	-27	-24	-79	-76
Unrealised changes in value of derivatives		0	0	1	1
<b>Profit before tax</b>		<b>56</b>	<b>58</b>	<b>315</b>	<b>317</b>
Income tax	8	-12	-12	-71	-72
<b>Net profit for the period</b>		<b>44</b>	<b>45</b>	<b>244</b>	<b>245</b>
<b>Of which, attributable to:</b>					
Owners of the Parent Company		44	45	244	246
Non-controlling interests		0	0	-1	-1
<b>Net profit for the period</b>		<b>44</b>	<b>45</b>	<b>244</b>	<b>246</b>
Earnings per share, SEK, before dilution	5, 8	0,83	0,85	4,60	4,62
Earnings per share, SEK, after dilution	5, 8	0,83	0,85	4,60	4,62
Average number of share, thousands		53 140	53 140	53 140	53 140

## Consolidated statement of other comprehensive income

SEK M	Note	Jan-Mar 2019	Jan-Mar 2018	Apr-Mar 2018/19	Jan-Dec 2018
<b>Net profit</b>		<b>44</b>	<b>45</b>	<b>244</b>	<b>245</b>
<b>Other comprehensive income</b>					
<b>Items that have been/can be reclassified to profit/loss</b>					
Effect of currency hedge of net investment in foreign operations	6c	-18	-18	-2	-3
Exchange rate differences on translation of foreign operation		31	47	10	26
<b>Net profit and other comprehensive income for the period</b>		<b>58</b>	<b>74</b>	<b>252</b>	<b>269</b>
<b>Of which, attributable to:</b>					
Owners of the Parent Company		58	74	252	269
Non-controlling interests		0	0	-1	-1

## Consolidated balance sheet in summary

SEK M	Note	31 Mar 2019	31 Mar 2018	31 Dec 2018
<b>Assets</b>				
<b>Non-current assets</b>				
Goodwill	4	3 193	3 142	3 168
Other intangible assets		7	9	8
Property, plant and equipment		551	421	560
Right-of-use assets		1 543	0	0
Financial assets:		13	9	9
<b>Total non-current assets</b>		<b>5 306</b>	<b>3 581</b>	<b>3 745</b>
<b>Current assets</b>				
Trade receivables and other receivables		880	924	847
Other current receivables		133	134	112
Cash and cash equivalents		420	497	514
<b>Total current assets</b>		<b>1 434</b>	<b>1 555</b>	<b>1 473</b>
<b>TOTAL ASSETS</b>		<b>6 741</b>	<b>5 137</b>	<b>5 218</b>
<b>Equity and liabilities</b>				
<b>Equity</b>				
Share capital		1	1	1
Additional paid-in capital		1 095	1 093	1 094
Reserves		41	33	28
Retained earnings		1 051	839	1 007
<b>Equity attributable to owners of the parent company</b>		<b>2 188</b>	<b>1 966</b>	<b>2 130</b>
<b>Equity attributable to non controlling interest</b>		<b>18</b>	<b>0</b>	<b>17</b>
<b>Total equity</b>		<b>2 205</b>	<b>1 966</b>	<b>2 147</b>
<b>Non-current liabilities</b>				
Lease liability, long term		1 326	0	0
Other Interest-bearing liabilities		1 197	1 306	1 259
Deferred tax liabilities		77	72	73
<b>Total non-current liabilities</b>		<b>2 600</b>	<b>1 378</b>	<b>1 333</b>
<b>Current liabilities</b>				
Lease liability, short term		223	0	0
Other interest-bearing liabilities		602	687	633
Trade payables		90	75	121
Other current liabilities		1 020	1 031	985
<b>Total current liabilities</b>		<b>1 935</b>	<b>1 792</b>	<b>1 739</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>6 741</b>	<b>5 137</b>	<b>5 218</b>



## Consolidated statement of changes in equity in summary

SEK M	Share Capital	Additional paid-in capital	Translation reserve	Retained earnings	Equity attributable to parent owners	Non controlling interest	Total equity
<b>Opening balance, 1 January 2018</b>	<b>1</b>	<b>1 092</b>	<b>4</b>	<b>793</b>	<b>1 891</b>	-	<b>1 891</b>
<b>Comprehensive income for the period</b>							
Profit for the period	-	-	-	45	45	-	45
Other comprehensive income for the period	-	-	29	-	29	-	29
<b>Total comprehensive income for the period</b>	-	-	<b>29</b>	<b>45</b>	<b>74</b>	-	<b>74</b>
<b>Transactions with Company owners</b>							
Share-savings plan	-	0	-	-	0	-	0
<b>Total</b>	-	<b>0</b>	-	-	<b>0</b>	-	<b>0</b>
<b>Closing balance, 31 March 2018</b>	<b>1</b>	<b>1 093</b>	<b>33</b>	<b>839</b>	<b>1 966</b>	-	<b>1 966</b>
<b>Opening balance, 1 January 2019</b>	<b>1</b>	<b>1 094</b>	<b>28</b>	<b>1 007</b>	<b>2 130</b>	<b>17</b>	<b>2 147</b>
<b>Comprehensive income for the period</b>							
Profit for the period	-	-	-	44	44	0	44
Other comprehensive income for the period	-	-	14	-	14	-	14
<b>Total comprehensive income for the period</b>	-	-	<b>14</b>	<b>44</b>	<b>58</b>	<b>0</b>	<b>58</b>
<b>Transactions with owners of the parent company</b>							
Share-savings plan	-	0	-	-	0	-	0
Share contribution	-	-	-	-	-	1	1
<b>Total</b>	-	<b>0</b>	-	-	<b>0</b>	<b>1</b>	<b>1</b>
<b>Closing balance, 31 March 2019</b>	<b>1</b>	<b>1 095</b>	<b>41</b>	<b>1 051</b>	<b>2 188</b>	<b>18</b>	<b>2 205</b>



## Consolidated statement of cash flows in summary

SEK M	Note	Jan-Mar 2019	Jan-Mar 2018	Apr-Mar 2018/19	Jan-Dec 2018
<b>Profit before tax</b>	8	<b>56</b>	<b>58</b>	<b>315</b>	<b>317</b>
<b>Adjustment for:</b>					
Depreciation	8	68	15	123	70
Financial items, net	8	21	24	72	74
Other non-cash items		-1	0	-1	0
<b>Cash flow from operating activities before changes in working capital</b>		<b>144</b>	<b>97</b>	<b>508</b>	<b>461</b>
Changes in working capital		-50	-114	46	-18
<b>Cash flow from operating activities</b>		<b>95</b>	<b>-17</b>	<b>555</b>	<b>443</b>
Financial items, net	8	-15	-5	-64	-53
Income tax paid		-17	-8	-67	-58
<b>Cash flow from operating activities, net</b>		<b>63</b>	<b>-30</b>	<b>424</b>	<b>331</b>
Acquisition of subsidiaries, net cash impact		0	0	-86	-86
Sales of subsidiaries, net cash impact		0	0	4	4
Investments in other non-current assets, net		-62	-14	-206	-158
<b>Cash flow from investing activities</b>		<b>-62</b>	<b>-14</b>	<b>-288</b>	<b>-240</b>
Proceeds from new borrowings		0	0	145	145
Repayment of borrowings		-51	-51	-279	-279
Amortization of leasing debt	8	-50	0	-50	0
Dividend		0	0	-32	-32
<b>Cash flow from financing activities</b>		<b>-101</b>	<b>-51</b>	<b>-216</b>	<b>-166</b>
<b>Cash flow for the period</b>		<b>-100</b>	<b>-95</b>	<b>-79</b>	<b>-74</b>
<b>Cash and cash equivalents at start of period</b>		<b>514</b>	<b>584</b>	<b>497</b>	<b>584</b>
Exchange rate difference in cash/cash equivalents		7	8	3	3
<b>Cash and cash equivalents at end of period</b>		<b>420</b>	<b>497</b>	<b>420</b>	<b>514</b>



## Key ratios

	Jan-Mar 2019	Jan-Mar 2018	Apr-Mar 2018/19	Jan-Dec 2018
Operating revenue	1 708	1 648	6 781	6 725
EBIT, %	4,5%	4,9%	5,7%	5,8%
Interest-bearing net debt, SEK M	2 928	1 496	2 928	1 378
Return on capital employed, %	1,4%	2,1%	7,0%	9,7%
Equity/assets ratio, %	32,7%	38,3%	32,7%	41,1%
Operating cash flow, SEK M	33	-32	350	285
Interest-bearing net debt/Adjusted EBITDA 12 months, times	5,7x	3,8x	5,7x	3,0x
<b>Excluding IFRS 16 effects:</b>				
Operating revenue	1 708	1 648	6 781	6 725
EBIT, %	4,1%	4,9%	5,6%	5,8%
Interest-bearing net debt, SEK M	1 437	1 496	1 437	1 378
Return on capital employed, %	1,7%	2,1%	9,4%	9,7%
Equity/assets ratio, %	42,1%	38,3%	42,1%	41,1%
Operating cash flow, SEK M	-24	-32	292	285
Interest-bearing net debt/Adjusted EBITDA 12 months, times	3,2x	3,8x	3,2x	3,0x
Average number full-time employees Individual & Family	2 249	2 372	2 365	2 415
Average number full-time employees Personal Assistance	5 032	4 920	5 096	5 085
Average number full-time employees Elderly Care	840	731	803	809
Average number full-time employees Other Nordic	1 662	1 435	1 576	1 441
Average number full-time employees Central functions	25	23	23	23
Total average number full-time employees	9 808	9 481	9 863	9 773
Number of full-time employees on the closing date	9 481	9 207	9 481	9 729
Average number of customers Individual & Family	1 842	2 010	1 913	1 955
Average number of customers Personal Assistance	1 854	1 835	1 838	1 833
Average number of customers Elderly Care	782	674	718	691
Average number of customers Other Nordic	2 947	2 895	2 999	2 987
Total average number of customers	7 424	7 414	7 469	7 466
Average number of ordinary shares on the closing date, 000s	53 140	53 140	53 140	53 140
Equity per ordinary share, SEK	41	37	41	40



## Parent company

### Income statement in summary

	Jan-Mar	Jan-Mar	Apr-Mar	Jan-Dec
SEK M	2019	2018	2018/19	2018
Operating revenue	3	1	6	4
Operating costs	-8	-4	-19	-15
<b>Operating profit</b>	<b>-5</b>	<b>-2</b>	<b>-13</b>	<b>-10</b>
Interest income from group companies	6	1	5	0
Interest cost	-40	-15	-55	-29
<b>Profit after financial items</b>	<b>-39</b>	<b>-16</b>	<b>-63</b>	<b>-40</b>
Group contribution	0		142	142
Change untaxed reserves	0	0	5	5
<b>Profit before tax</b>	<b>-39</b>	<b>-16</b>	<b>84</b>	<b>107</b>
Tax	8	4	-19	-24
<b>Net profit for the period</b>	<b>-31</b>	<b>-13</b>	<b>65</b>	<b>84</b>

### Balance sheet in summary

	31 Mar	31 Mar	31 Dec
SEK M	2019	2018	2018
Non-current assets	1 627	1 626	1 627
Current assets	1 951	1 863	2 029
<b>TOTAL ASSETS</b>	<b>3 578</b>	<b>3 489</b>	<b>3 656</b>
Equity	1 594	1 559	1 625
Untaxed reserves	174	179	174
Non-current interest-bearing liabilities	1 195	1 261	1 231
Other current liabilities	615	490	627
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>3 578</b>	<b>3 489</b>	<b>3 656</b>



# Notes

## Note 1 Accounting policies

This interim report for the Group has been prepared in accordance with IAS 34 Interim Financial Reporting along with applicable stipulations in the Swedish Annual Accounts Act. The report for the Parent Company has been prepared in accordance with Chapter 9 of the Swedish Annual Accounts Act - Interim Reports. From 1 January 2019, the Group applies IFRS 16 Leases, which is described in detail in the section "New accounting standards applied from 1 January 2019" below. In general the same accounting policies and bases of calculation have been used as in the annual report for 2018, which was prepared in accordance with the International Financial Reporting Standards as ratified by the EU, and interpretations of these.

Disclosures in accordance with IAS 34. 16A appear in the financial statements and their associated notes as well as in the interim information on pages 2–8, which form an integral part of this financial report.

### New accounting standards applied from 1 January 2019

IFRS 16 Leases will replace IAS 17 Leases and applies as of 1 January 2019.

#### Effects of the transition to IFRS 16 Leases

IFRS 16 Leases means that lease payments that were previously recognised as other external expenses are replaced by the cost of depreciation on leased assets and an interest expense attributable to lease costs in the income statement, which corresponds to the reporting of finance leases in the previous IAS 17 standard. In the previous standard, operating leases were recognised outside the balance sheet, with information on the liability, and lease payments were recognised as an expense over the lease term on a straight-line basis.

Humana's transition to IFRS 16 positively affects the operating profit and has a negative effect on the profit after financial items. It does not affect equity or deferred taxes. There is no transition effect for finance leases.

The effects on the balance sheet as of 1 January 2019 are shown in the table below.

#### Scope

Humana's lease portfolio contains circa 1,000 leases and mainly comprises operating leases for premises, offices and company cars. Existing finance leases previously recognised in accordance with IAS 17 Leases are reclassified in accordance with IFRS 16 at the amounts at which they were recognised on the day before application of the new standard.

#### Method

Humana has chosen to recognise the transition to the new standard using the modified retrospective approach. The relief rule of not establishing a comparative year has been applied. The size of the right of use asset has been valued to correspond to the size of the lease debt at the time of transition. A marginal loan rate has been set for the premises, while for cars the implicit interest in the lease is used. The right of use period has been established with knowledge of how termination and extension clauses have been applied. The simplified transition method for the transition to IFRS 16 C10 (c) has been applied, which means that leases that are 12 months or shorter are excluded from the calculation and exempt from capitalisation in the balance sheet, as are leases with a low-value underlying asset. Low value is USD 5 thousand. Humana rents apartments on short-term leases. These are not included in the calculation as it cannot be established with reasonable certainty whether they will be extended. Humana leases certain office equipment, such as printers and coffee machines, which are considered of low value.

#### Transition effects on the balance sheet

SEK M	Outgoing balance 31 Dec 2018 before transition to IFRS 16 Leases	Adjustments due to transition to IFRS 16 Leases	Adjusted opening balance, 1 Jan 2019
Non-current assets	3 745	1 506	5 251
Non-current interest-bearing liabilities	1 259	1 260	2 519
Current interest-bearing liabilities	633	163	796

## Note 2 Estimations and assessments

Preparation of financial statements in compliance with IFRS requires management to make accounting estimates and assumptions which affect the application of the accounting policies and the carrying amounts of assets, liabilities, income and expenses. The actual outcome may deviate from these estimates and assessments. The critical assessments and sources of uncertainty in estimates are the same as in the most recent annual report.

## Note 3 Operating segments

	Individual & Family		Personal Assistance		Elderly Care		Other Nordic		Other <sup>1) 2)</sup>		Total	
	Jan-Mar 2019	Jan-Mar 2018	Jan-Mar 2019	Jan-Mar 2018	Jan-Mar 2019	Jan-Mar 2018	Jan-Mar 2019	Jan-Mar 2018	Jan-Mar 2019	Jan-Mar 2018	Jan-Mar 2019	Jan-Mar 2018
<b>SEK M</b>												
Net revenue – External revenue	512	551	684	653	134	108	378	336	0	0	1 708	1 648
Other operating revenue	0	0	0	0	0	0	0	0	0	0	0	0
<b>Operating revenue</b>	<b>512</b>	<b>551</b>	<b>684</b>	<b>653</b>	<b>134</b>	<b>108</b>	<b>378</b>	<b>336</b>	<b>0</b>	<b>0</b>	<b>1 708</b>	<b>1 648</b>
<b>Profit before depreciation, amortisation and other operating costs</b>	<b>37</b>	<b>55</b>	<b>40</b>	<b>35</b>	<b>6</b>	<b>0</b>	<b>30</b>	<b>24</b>	<b>35</b>	<b>-17</b>	<b>147</b>	<b>97</b>
Depreciation	-9	-7	-1	-1	-2	-2	-6	-5	-51	0	-68	-15
Other operating costs	0	0	0	0	0	0	0	-1	-2	0	-2	0
<b>Operating profit</b>	<b>28</b>	<b>48</b>	<b>39</b>	<b>35</b>	<b>4</b>	<b>-1</b>	<b>24</b>	<b>18</b>	<b>-18</b>	<b>-18</b>	<b>77</b>	<b>81</b>

1) 2019 includes SEK 2 M in acquisition costs, 0 M 2018.

2) Operating profit 2019 includes IFRS 16 effects of net SEK 7 M (0). The effects of IFRS 16 are divided as follows: Profit before depreciation, amortisation and other operating costs includes lower rental costs of SEK 58 M and higher amortisations of SEK 51 M

## Note 3b Revenue per country

SEK M	Jan-Mar 2019	Jan-Mar 2018
Sweden	1 330	1 312
Finland	179	160
Norway	194	176
Denmark	5	-
<b>Total operating revenue</b>	<b>1 708</b>	<b>1 648</b>



## Note 4 Acquisition of operations

### Goodwill

SEK M	31 Mar 2019	31 Mar 2018	31 Dec 2018
<b>Opening balance, 1 January</b>	<b>3 168</b>	<b>3 104</b>	<b>3 104</b>
Acquisitions of subsidiaries	0	0	43
Sales of subsidiaries	-	-	-1
Exchange rate differences	25	39	22
<b>Closing balance, end of period</b>	<b>3 193</b>	<b>3 142</b>	<b>3 168</b>

### Acquisitions during 2019

- Coronaria Hoiva Oy (Other Nordics) in April 2019

On the 28th of January Humana entered into an agreement to acquire all the shares in Coronaria Hoiva Oy from its owner Coronaria Oy. Coronaria Hoiva Oy is one of the largest private care providers in Finland and operates within elderly care social psychiatry for adults and housing with special service (LSS). The company included 63 residential units with another four units planned to open in 2019. After the Finnish Competition and Consumer Authority, KKV, approved the acquisition of Coronaria Hoiva Oy, Humana AB has acquired all shares in Coronaria Hoiva Oy as of April 16. Coronaria Hoiva was valued at EUR 71 M (enterprise value) and the transaction was financed through cash and new credit facilities.

The acquisition of Coronaria Hoiva provides Humana with an attractive platform for continued growth and creates good opportunities for quality development and synergies. Since before Humana's Finnish operations includes the subsidiary Arjessa Oy. Together we are now a complete care provider also in Finland.

Humana has acquired all the shares in Coronaria Hoiva Oy by paying the purchase price of EUR 49.6 M in cash on the acquisition date. In this purchase price allocation there have not been identified any differences between book- and fair value of other receivables. The purchase price allocation is based on the latest available closing of accounts as of March 31 2019.

Net assets in acquired companies as of April 16 2019, purchase price allocation:

SEK M	16-apr 2019
Intangible assets	191
Tangible assets	52
Financial assets	2
Inventories	0
Non current receivables	2
Trade receivables	65
Other current receivables	0
Cash in hand and in bank	38
Other non current liabilities	-7
Non current internal loan	-240
Trade payables	-12
Accrued and deferred expenses and income, net	-80
Other current liabilities	-5
<b>Total net asset acquired</b>	<b>6</b>

### Goodwill

The Goodwill of SEK 513 M arising from the acquisition is partly related with the new platform for continued growth and partly the good opportunities for quality development and synergies. This goodwill is not considered being tax deductible.

### Acquisition related costs

Acquisition related costs are expected to amount to SEK 24 M. The costs mainly relate to remuneration to consultants and lawyers for financial and legal advisory services and transfer tax in connection with acquisitions. The costs are recognised as other operating expenses in the income statement and the statement of other comprehensive income.

Had the transaction happened 1 January 2019 it is Humanas judgement that the groups revenue during the first quarter would have been SEK 1 849 M (SEK 141 M higher), EBIT SEK 78 M (SEK 1 M higher) and the result for the period after tax would have been SEK 40 M (SEK 4 M lower).

## Acquisitions in 2018

- Luotsimaja Oy (Other Nordics) in June 2018
- Västgöta Assistans AB (Personal Assistance) July 2018
- Støttecompagniet ApS (Other Nordics) in September 2018
- RIK Assistans AB (Personal Assistance) in October 2018
- Matiimi Oy (Other Nordics) in December 2018

Humana made five minor acquisitions in 2018. With these acquisitions, Humana strengthened its operations in Finland, took its first step into Denmark and expanded its Swedish operations within the Personal Assistance business area. In Finland, Humana acquired Luotsimaja Oy in Pori in western Finland and Matiimi Oy in the Birkaland region, both with operations in psychosocial disorders for children and adolescents. In Denmark, Humana acquired Støttecompagniet ApS in Copenhagen, with individual and family outpatient care. In Sweden, Humana acquired two businesses for the Personal Assistance business area, Västgöta Assistans AB in Kinna and RIK Assistans AB in Härnösand.

For more information on these acquisitions, see the 2018 annual report.

## Note 5 Earnings per share

SEK M	Jan-Mar 2019	Jan-Mar 2018	Apr-Mar 2018/19	Jan-Dec 2018
<b>Net profit for the period attributable to owners of the parent company</b>	44	45	244	246
Average number of shares, thousands	<b>53 140</b>	<b>53 140</b>	<b>53 140</b>	<b>53 140</b>
Earnings per share, SEK, before dilution	<b>0,83</b>	<b>0,85</b>	<b>4,60</b>	<b>4,62</b>
Earnings per share, SEK, after dilution	<b>0,83</b>	<b>0,85</b>	<b>4,60</b>	<b>4,62</b>

## Note 6a Fair value of financial instruments and level in valuation hierarchy

31 March 2019 SEK M	Financial liabilities measured at fair value through profit and loss	Financial liabilities at fair value through other comprehensive income	Total	Fair value	Level 1	Level 2	Level 3
	<b>Financial liabilities</b>						
Interest-rate swaps and interest options for hedging*	0	-	0	0	-	0	-
Earn-out payments	8	-	8	8	-	-	8

31 March 2018 SEK M	Financial liabilities measured at fair value through profit and loss	Financial liabilities at fair value through other comprehensive income liabilities	Total	Fair value	Level 1	Level 2	Level 3
	<b>Financial liabilities</b>						
Interest-rate swaps and interest options for hedging*	1	-	1	1	-	1	-
Earn-out payments	27	-	27	27	-	-	27

\* Fair value based on the quotations at Nordea AB (publ). Similar contracts are traded in an active market, and the rates reflect actual transactions for comparable instruments.

### Fair value measurement

When the fair value of an asset or liability is to be determined, the Group uses observable data as far as possible. Fair value is categorised in various levels in a fair value hierarchy based on input data that is used in the valuation method as follows:

Level 1: according to prices quoted in an active market for the same instruments

Level 2: based on directly or indirectly observable market data that is not included in level 1

Level 3: based on input data that is not observable in the market

## Note 6b Presentation of the reconciliation of the opening and closing balances for financial instruments measured at level 3, earn-out payments

SEK M	31 Mar 2019	31 Dec 2018
<b>Opening balance, 1 January</b>	<b>8</b>	<b>27</b>
Total recognised gains and losses:		
Recognised in adjustment of earn-out payments in profit for the year	0	9
Cost of acquisitions	0	5
Settled during the period	0	-24
<b>Closing balance, end of period</b>	<b>8</b>	<b>8</b>

## Note 6c Hedge accounting

The Group is hedging parts of the foreign exchange risk related to net investments in foreign operations. As of 31 March 2019, the Group had exposure in EUR and NOK, which is hedged with loans in foreign currencies. Starting from 1 January 2018, hedge accounting is applied and thus the effective part of the translation differences is recognised in the consolidated statement of other comprehensive income. As at 31 March 2019, the Group had loans of EUR 39 M and loans of NOK 328 M for which hedge accounting is applied. The related translation difference of SEK -22 M (-23) before tax is consequently recognised in the consolidated statement of other comprehensive income.

## Note 7 Incentive programmes

As of 31 March 2019, Humana has two long-term incentive programmes that have been approved by the AGMs in 2016 and 2017. The warrant programme is directed at the Company's eight senior executives and the share savings programme is directed at key employees at Humana. The purpose of the programmes is to encourage a broad ownership among Humana employees, facilitate recruitment, retain competent employees and increase the motivation to achieve or exceed Humana's financial targets.

The warrants were acquired at market price and were issued in three separate series that can be redeemed at different times. The first date for redeeming the warrants was during the period 1-31 March 2018 at the subscription price of SEK 74.40. The second date for redeeming the warrants was during the period 1-31 March 2019 at the subscription price of SEK 77.50. The subscription price for Series 3 is SEK 80.60.

For the share savings programme, participants could invest in saving shares (at market price) and then, based on the terms of the programme, can receive matching shares and potentially even performance-based shares at the end of the programme. The number of registered saving shares at 31 March 2019 amounts to 55,000, which corresponds to a maximum allocation of 73,000 shares.

<b>Number of warrants</b>	<b>2019</b>	<b>Number sharebased programme</b>	<b>2019</b>
<b>Outstanding January 1</b>	<b>960 280</b>	<b>Outstanding January 1</b>	<b>73 000</b>
Acquired	-	Acquired	-
Forfeited	-	Forfeited	-
Exercised	-	Exercised	-
Expired	-480 140	Expired	-
<b>Outstanding 31 March</b>	<b>480 140</b>	<b>Outstanding 31 March</b>	<b>73 000</b>

## Note 8 Income statement and cash flow excluding effects of IFRS 16

### Effects of IFRS 16 on income statement

SEK M	Jan-Mar 2019	IFRS 16-effect Jan -Mar 2019	Excl IFRS 16 Jan -Mar 2019	Jan-Mar 2018
<b>Operating revenue</b>	<b>1 708</b>	-	<b>1 708</b>	<b>1 648</b>
Other external costs	-216	58	-274	-262
Personnel costs	-1 344	-	-1 344	-1 288
Depreciation	-68	-51	-17	-15
Other operating costs	-2	-	-2	0
<b>Operating costs</b>	<b>-1 631</b>	<b>7</b>	<b>-1 637</b>	<b>-1 566</b>
<b>Operating profit</b>	<b>77</b>	<b>7</b>	<b>70</b>	<b>81</b>
Financial revenue	6	-	6	0
Financial costs	-27	-13	-14	-24
Unrealised changes in value of derivatives	0	-	0	0
<b>Profit before tax</b>	<b>56</b>	<b>-6</b>	<b>62</b>	<b>58</b>
Income tax	-12	1	-13	-12
<b>Net profit for the period</b>	<b>44</b>	<b>-5</b>	<b>49</b>	<b>45</b>
Earnings per share, SEK, before&after dilution	0,83	-0,09	0,92	0,85

### Effects of IFRS 16 on cash flow

SEK M	Jan-Mar 2019	IFRS 16-effect Jan -Mar 2019 <sup>1)</sup>	Excl IFRS 16 Jan -Mar 2019	Jan-Mar 2018
<b>Profit before tax</b>	<b>56</b>	<b>6</b>	<b>62</b>	<b>58</b>
<b>Adjustment for:</b>				
Depreciation	68	-51	17	15
Financial items, net	21	-13	8	24
Other non-cash items	-1	-	-1	0
<b>Cash flow from operating activities before changes in working capital</b>	<b>144</b>	<b>-58</b>	<b>87</b>	<b>97</b>
<b>Cash flow from operating activities</b>	<b>95</b>		<b>37</b>	<b>-17</b>
Financial items, net	-15	13	-2	-5
Income tax paid	-17	-	-17	-8
<b>Cash flow from operating activities, net</b>	<b>63</b>	<b>13</b>	<b>18</b>	<b>-30</b>
<b>Financing activities</b>				
Proceeds from new borrowings	-	-	-	-
Repayment of borrowings	-51	-	-51	-51
Amortization of leasing debt	-50	45	-5	-
Dividend	-	-	-	-
<b>Cash flow from financing activities</b>	<b>-101</b>	<b>0</b>	<b>-56</b>	<b>-51</b>

1) According to IFRS 16, lease payments are allocated between amortisation of lease liabilities and interest expenses. In comparison with 2018, this means that cash flow from operating activities is positively affected by the fact that depreciation of right of use assets is reversed as not affecting cash flow while most of the lease payments are recognised as amortisation of interest-bearing liabilities in cash flow from financing activities.

## Note 9a Reconciliation with IFRS financial statements

In the financial reports that Humana issues, there are alternative performance measures specified that complement the measurements defined or specified in the applicable financial reporting rules. Alternative performance measures are indicated when, in their context, they provide clearer or more detailed information than the measures defined in the applicable financial reporting rules. The alternative performance measures are derived from the company's consolidated financial statements and do not comply with IFRS.

	Jan-Mar 2019	Jan-Mar 2018	Apr-Mar 2018/19	Jan-Dec 2018
<b>Adjusted operating profit</b>				
Operating profit	77	81	387	391
<b>Adjusted operating profit</b>	<b>77</b>	<b>81</b>	<b>387</b>	<b>391</b>
<b>Adjusted EBITDA</b>				
Operating profit	77	81	387	391
Depreciation	68	15	123	70
<b>EBITDA</b>	<b>145</b>	<b>97</b>	<b>509</b>	<b>461</b>
<b>Adjusted EBITDA</b>	<b>145</b>	<b>97</b>	<b>509</b>	<b>461</b>
<b>Organic revenue growth</b>				
Revenue, base	1 643	1 582	5 853	6 333
Revenue, organic growth	25	36	163	218
<b>Total organic growth, constant currency rate</b>	<b>1,5%</b>	<b>2,3%</b>	<b>2,8%</b>	<b>3,4%</b>
<b>Operating cash flow</b>				
Operating profit	77	81	387	391
Depreciation	68	15	123	70
Changes in working capital	-50	-114	46	-18
Investments in other non-current assets, net	-62	-14	-206	-158
<b>Operating cash flow</b>	<b>33</b>	<b>-32</b>	<b>350</b>	<b>285</b>
	31 Mar 2019	31 Mar 2018		31 Dec 2018
<b>Interest-bearing net debt</b>				
Non-current interest-bearing liabilities	2 523	1 306		1 259
Current interest-bearing liabilities	826	687		633
Cash and cash equivalents	-420	-497		-514
<b>Interest-bearing net debt</b>	<b>2 928</b>	<b>1 496</b>		<b>1 378</b>
<b>Adjusted EBITDA 12 month</b>	<b>509</b>	<b>393</b>		<b>461</b>
<b>Interest-bearing net debt/Adjusted EBITDA 12 months, times</b>	<b>5,7x</b>	<b>3,8x</b>		<b>3,0x</b>
<b>Return on capital employed, %</b>				
TOTAL ASSETS	6 741	5 137		5 218
Deferred tax liabilities	-77	-72		-73
Trade payables	-90	-75		-121
Other current liabilities	-1 020	-1 031		-985
<b>Capital employed</b>	<b>5 554</b>	<b>3 959</b>		<b>4 039</b>
Operating profit	77	81		391
Financial revenue	0	0		1
<b>Total</b>	<b>77</b>	<b>81</b>		<b>392</b>
<b>Return on capital employed, %</b>	<b>1,4%</b>	<b>2,1%</b>		<b>9,7%</b>
<b>Equity/assets ratio, %</b>				
Total equity	2 205	1 966		2 147
TOTAL ASSETS	6 741	5 137		5 218
<b>Equity/assets ratio, %</b>	<b>32,7%</b>	<b>38,3%</b>		<b>41,1%</b>

## Note 9b Financial definitions and intent

### Key financial figures

	<b>Definition</b>	<b>Intent</b>
<b>Adjusted operating profit and adjusted EBITDA</b>	Operating profit and EBITDA adjusted for items affecting comparability.	The adjustment of items affecting comparability is done to facilitate a fair comparison between two comparable periods and to show the underlying trend in operating activities excluding non-recurring items.
<b>Capital employed</b>	Total assets less non-interest-bearing liabilities.	The measure indicates the portion of the company's assets financed by interest-bearing capital.
<b>EBITDA</b>	Operating profit before depreciation, amortisation and impairment losses.	The measure is used to monitor the company's profit/loss generated by operating activities and facilitate comparisons of profitability between different companies and industries.
<b>Equity/assets ratio (%)</b>	Equity including non-controlling interests divided by total assets, multiplied by 100.	Indicates the proportion of assets that are financed with equity. The aim is to assess the Group's solvency in the long term.
<b>Interest-bearing net debt</b>	Borrowings excluding interest rate derivatives less cash and cash equivalents and interest-bearing assets.	Net debt is used to easily illustrate and assess the Group's ability to meet financial commitments.
<b>Interest-bearing net debt/EBITDA</b>	Interest-bearing net debt divided by EBITDA.	Indicates consolidated debt in relation to EBITDA. Used to illustrate the Group's ability to meet financial commitments.
<b>Operating cash flow</b>	Operating profit including changes in depreciation/amortisation/impairment, working capital and investments in other non-current assets (net).	Excluding cash flow from acquisitions and financing facilitates an analysis of cash flow generation in operating activities.
<b>Organic growth</b>	Like-for-like growth for companies in the respective segments that Humana owned in the preceding comparative period.	The measure shows the underlying sales growth in comparable companies between the different periods.
<b>Return on capital employed, ROCE (%)</b>	Operating profit plus net financial income divided by capital employed, multiplied by 100.	Indicates the operating return on the capital that owners and lenders have made available. The intent is to show consolidated returns, regardless of the financing.

## Other financial performance measures

	<b>Definition</b>
<b>Average equity</b>	Average equity attributable to owners of the Parent Company per quarter, based on opening and closing balance per quarter.
<b>Average number of customers</b>	Average number of customers during the period.
<b>Average number of full-time employees</b>	Average number of full-time employees in the reporting period.
<b>Average number of ordinary shares</b>	Average of number of shares outstanding on a daily basis after redemptions and repurchases.
<b>Earnings per ordinary share for the period</b>	Profit for the period attributable to owners of the Parent Company less the period's share of declared dividend on preferred shares, divided by average number of ordinary shares. Defined in IFRS.
<b>EBIT margin (%)</b>	EBIT divided by operating revenue multiplied by 100.
<b>Equity per ordinary share</b>	Equity attributable to owners of the Parent Company divided by number of shares outstanding after the end of the period after redemptions, repurchases and new issues.
<b>Items affecting comparability</b>	Non-recurring items that are not expected to return, which complicate the comparability between two given periods.
<b>Operating profit, EBIT</b>	Profit before financial items and tax.



*This information is information that Humana AB is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact persons set out below, at 08:00 CET on 9 May 2019.*

## Conference call

A conference call will be held 9 May at 09:00 CET, at which President and CEO Rasmus Nerman and CFO Ulf Bonnevier will present the report and answer questions. To participate, call:

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### Financial calendar 2019

Interim report Jan-Mar 2019	9 May 2019
AGM 2019	9 May 2019
Interim report Apr-Jun 2019	16 Aug 2019
Interim report Jul-Sep 2019	8 Nov 2019

